



Rhode Island Renewable Energy Fund

***Presentation to
Green Power Marketing Conference
October 4, 2004***

Overview



- ▶ *Fund background*
- ▶ *Market environment*
- ▶ *Programs to grow a green power market in RI*



Objectives

- ▶ *Fund created by state legislature in 1997*
- ▶ *\$2.5 million annually*
- ▶ *Purpose:*
 - *Maximize benefit/cost of renewable energy*
 - *Create sustainable markets*
- ▶ *Benefits to RI*
 - *Environmental/health*
 - *Energy security/diversity*
 - *Economic development*



Business Environment

- ▶ *Small Market*
- ▶ *Lack of significant renewable resources (wind, biomass) on shore, land use issues, deep water*
- ▶ *NEPOOL GIS/attribute trading*
- ▶ *Regional RPS' driving project development*
- ▶ *Aggregation and education efforts in MA and CT - create critical mass and spillover into RI*
- ▶ *National Grid/Narragansett GreenUp (April 2004)*



Results

- ▶ *1290 GreenUp signups between April 2004 and September 30, 2004, one of the more successful green market campaigns reported*
- ▶ *Up-tick in measured consumer awareness reported between January 2004 and September 2004*
- ▶ *Plus -*
 - *RPS (late Spring 2004)*
 - *Aggregate Back Up Rate exemption of 3 MW (September 2004)*



Green Power Market Building

- ▶ *Customer Education and Aggregation*
- ▶ *Small Customer (Residential) Incentive*
- ▶ *Large Customer Incentive*
- ▶ *Supply Incentive*

Education & Aggregation



- ▶ *RFP in 2002 funded several education projects which are ongoing:*
 - *Clean Energy States Alliance (CESA) advertising*
 - *Consumer Education and Public Awareness*
 - *C&I Aggregation*
 - *People's Power and Light Residential Aggregation*

Public Education



- ▶ *In 2004, implemented by Smartpower to support GreenUp and increase awareness*
 - *CESA-developed media advertising (radio, television, print)*
 - *Outreach - events and affinity organizations*
 - *www.CleanEnergyRI.com*



CLEAN ENERGY, THE LATEST IN HOME IMPROVEMENT.

why now?

your options

calculate costs

buy now!

FAQ

contact us



CLEAN ENERGY. LET'S MAKE MORE.

CleanEnergyRI
TV & Radio Ads

Rhode Island: You don't have to tear down walls or put in new wiring to make this improvement to your home or small business. Tap into clean energy - from solar, wind, water and other clean sources - that's produced now in our region. You don't even have to leave your current utility.

It's as easy as 1, 2, 3 ...

- 1 First, examine all the clean energy products offered in Rhode Island.
- 2 Next, use our calculator to determine your monthly cost.
- 3 Then, sign up to start receiving your energy the CleanEnergy way!

For information on installing solar or other clean energy technologies at your home, see the [Rhode Island Renewable Energy Fund](#).

Clean energy. It's real. It's here. It's working.

OVER 1250 OF YOUR NEIGHBORS JUST GOT THE LATEST IN HOME IMPROVEMENT...SHOULDN'T YOU?

Since last spring, over 1250 Rhode Islanders have chosen the latest in home improvement by purchasing electricity from such clean, renewable energy resources as wind, solar, biomass and hydro through Narragansett Electric's GreenUp[®] program. In the process they've also improved the health and quality of life of our communities, by avoiding 11 million pounds of carbon dioxide and over 36,000 pounds of nitrogen oxides and sulfur dioxide. That's the equivalent of taking 960 cars off the road or planting 150,000 trees.

That makes the CleanEnergyRI.com Campaign – The Rhode Island Renewable Energy Fund and SmartPower's effort to promote the use of clean, renewable energy – one of the fastest growing clean energy switching programs in the United States.

We congratulate each and every one of Rhode Island's new clean energy customers for doing their part to support America's energy independence. We also applaud Narragansett Electric and all the clean energy suppliers for making clean power available to the people of Rhode Island.

It's great to have good neighbors, but isn't time to become one? Go to www.CleanEnergyRI.com to learn more and sign up today. Or, you can enroll using the simple form below. For just a few dollars more each month, it's easy to get the latest in home improvement and make Rhode Island a clean energy leader for America.

Clean Energy. It's real. It's here. It's working.

Company & Contact	Offerings	Biomass	Solar	Wind	Small Hydropower	Hydro	Additional price per kWh
Community Energy, Inc. 1-800-455-1223 www.NewWindEnergy.com	<ul style="list-style-type: none"> NewWind Energy[®] 100% NewWind Energy[®] 50% 	–	–	Yes	30%	30%	2.5¢/kWh
		–	–	25%	25%	25%	1.8¢/kWh
Conservation Services Group, Inc. 1-800-688-7187 www.GreenWattsNewEngland.com	<ul style="list-style-type: none"> GreenWatts New England 100% 	100%	14%	Yes	15%	15%	1.7¢/kWh
People's Power & Light 401-457-4111 www.GreenBart.net	<ul style="list-style-type: none"> New England GreenBart RI 100% New England GreenBart RI 50% 	–	–	Yes	30%	50%	1.5¢/kWh
		–	–	25%	25%	25%	2.5¢/kWh
Stirling Planet 1-800-473-1363 www.stirlingplanet.com	Stirling Supreme 100%	Yes	20%	20%	10%	40%	1.8¢/kWh

*Minimum income symbol. Information available at www.epa.gov or 1-800-455-1223. For business discounts rates, please visit www.northeastern.com/cleanenergy. *New – switch new renewable energy source with electric in 10¢.

Enroll today at www.CleanEnergyRI.com or by using this simple form.

Please enter all information as it appears on your electric bill. This program is available to all Rhode Island residents and small businesses (SMEs), except Black Island and Pinney's Hill District, who are currently receiving blanket offer or Low-Rate service.

First Name _____ Last Name _____
 Business Name _____
 Address _____
 City _____
 State _____
 Zip _____
 Phone _____
 E-mail _____
 Signature _____
 Account Number (10 digits)

Mail to: **Smart Power, Inc.**
 101 First Street
 Providence, RI 02903
 For more information call 800-345-7948
 or visit www.CleanEnergyRI.com

Select a Clean Energy Provider:

Community Energy

- ☐ NewWind Energy – 100%
☐ NewWind Energy 50%

Conservation Services Group

- ☐ GreenWatts New England 100%

People's Power & Light

- ☐ New England GreenBart RI 100%
☐ New England GreenBart RI – 50%

Stirling Planet

- ☐ Stirling Supreme 100%

*Information is subject to change without notice. An additional fee may be assessed for a business. All information is subject to change. A fee of additional charge for my electric bill for my clean energy purchase. See website or contact us directly for more information. Clean Energy.

Providence Journal Full Page Ad September 2004

Public Education



► *Messaging:*

- *Term "Clean Energy" preferred to "Renewable" or "Green"*
- *Environmental message is well understood*
- *The images and facts that make Clean Energy seem powerful, real, "closer than you think" resonate the most*



Aggregation

- ▶ *Rhode Island RE Customer Aggregation Program” (Think Energy) - C & I*
 - *First year - information and support to enable businesses to acquire renewable energy/systems*
 - *Second year - Group purchase of clean energy (long term hedge contract)*
- ▶ *People’s Power & Light - Residential*
 - *Start-up capital for non-profit, grass-roots aggregation*



Small Customer Incentives

- ▶ *Goal: Develop a sustainable "green power" market*
 - *Reduce customer acquisition & startup costs, build critical mass*
 - *Attract customers to premium green power products*
- ▶ *\$1.36 m available - could support up to 15,000 green power customers*
- ▶ *Structure*
 - *Rebates for registered retail suppliers signing customers to qualifying green power offerings*
 - *Early entry incentive: Up to \$125/customer for first 6,000; \$75 thereafter*
- ▶ *Approximately \$150,000 earned incentives to date*

Small Customer Incentives



► *Eligibility:*

- *Registered retail electricity suppliers serving RI residential and small commercial customers; must apply for program*
- *GreenUp Products*
 - *Green-e TRC certified, or*
 - *At least 25% (based on total customer usage) new renewable projects in NE*



Large Customer Incentives

- ▶ *Goal: Stimulate large customer green power purchases*
- ▶ *Flexible Structure*
 - *rebates, purchase incentives – pay for performance preferred*
 - *Buy-down but not eliminate green power cost premium*
- ▶ *Eligibility:*
 - *Large electricity customers in RI (or multi-site small GS customers), and/or*
 - *Retail electricity suppliers registered in RI*
- ▶ *Approximately \$1 million in commitments to date*



Large Customer Incentives

- ▶ *Criteria:*
 - *Cost effectiveness*
 - *Higher percentages of renewable generation, maximize new renewable generation (post restructuring)*
 - *Sustainability: Encourage long-term commitment to buy green power*
 - *Likelihood of success*
 - *Maximize leverage (including PR to stimulate other purchased)*
 - *Administrative ease*



Renewable Supply RFP

- ▶ *Goal: New renewable generation projects to serve RI*
- ▶ *Structured as production incentive:*
 - *Incentive stream, up to a cap of \$30/MWh for 5 years*
 - *Attributes sold to RI customers as a renewable electricity product*
- ▶ *Eligibility:*
 - *Generators, middlemen, or RI customers (for on-site)*
 - *Wind, small-scale hydro (no new dams), sustainably managed biomass, landfill methane, solar, fuel cells*
 - *Generation within N.E., but R.I. Preferred*
- ▶ *1 Commitment - Wind Project - \$600,000 RECs Purchase over 5 years*
- ▶ *Program being redesigned*



Program Design Issues

- ▶ *What? How Much?*
- ▶ *Rapidly evolving markets require flexibility in program design*
 - *TRC's*
 - *GreenUp*
 - *RPS*
- ▶ *Sustaining demand post- incentives*
- ▶ *Ongoing need for outreach/education*



*The Rhode Island Renewable Energy Fund
c/o Janice McClanaghan
Chief of Energy and Community Services
Rhode Island State Energy Office
One Capitol Hill
Providence, RI
401-222-3370
www.riseo.state.ri.us/riref*



*Nancy Selman
Energy & Environmental Ventures
nselman@eeventures.com
www.eeventures.com
203-227-4111*